

OKLAHOMA CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
P.O. BOX 52000  
OKLAHOMA CITY, OK 73152-2000  
(Rule 165:10-3-1)

API NUMBER: 129 24096 A

Approval Date: 04/07/2017

Expiration Date: 10/07/2017

Horizontal Hole Oil & Gas

Amend reason: OCC CORRECTION: BHL

AMEND PERMIT TO DRILL

WELL LOCATION: Sec: 07 Twp: 15N Rge: 25W

County: ROGER MILLS

SPOT LOCATION: ☐ SE ☐ SE ☐ SW ☐ SW

FEET FROM QUARTER: FROM SOUTH FROM WEST

SECTION LINES: 300 1120

Lease Name: MALSON

Well No: 2-7H

Well will be 300 feet from nearest unit or lease boundary.

Operator KAISER-FRANCIS OIL COMPANY  
Name:

Telephone: 9184940000

OTC/OCC Number: 6390 0

KAISER-FRANCIS OIL COMPANY  
PO BOX 21468  
TULSA, OK 74121-1468

TIMOTHY W. MALSON  
8451 N. 1740 ROAD  
DURHAM OK 73642

Formation(s) (Permit Valid for Listed Formations Only):

Name	Depth	Name	Depth
1 CLEVELAND	10075	6	
2		7	
3		8	
4		9	
5		10	

Spacing Orders: 135140

Location Exception Orders: 661799

Increased Density Orders:

Pending CD Numbers:

Special Orders:

Total Depth: 14846

Ground Elevation: 2326

**Surface Casing: 1500**

Depth to base of Treatable Water-Bearing FM: 660

Under Federal Jurisdiction: No

Fresh Water Supply Well Drilled: No

Surface Water used to Drill: Yes

PIT 1 INFORMATION

Approved Method for disposal of Drilling Fluids:

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: WATER BASED

Chlorides Max: 8000 Average: 5000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? N

Wellhead Protection Area? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: OGALLALA

D. One time land application -- (REQUIRES PERMIT)

PERMIT NO: 17-32385

H. SEE MEMO

This permit does not address the right of entry or settlement of surface damages.

The duration of this permit is SIX MONTHS, except as otherwise provided by Rule 165: 10-3-1.

Rule 165: 10-3-4 (c) (7) (e) - The Operator shall give 24 Hours notice by telephone to the appropriate District Office of the Conservation Division as to when Surface Casing will be run.

## PIT 2 INFORMATION

Type of Pit System: CLOSED Closed System Means Steel Pits

Type of Mud System: OIL BASED

Chlorides Max: 300000 Average: 200000

Is depth to top of ground water greater than 10ft below base of pit? Y

Within 1 mile of municipal water well? N

Wellhead Protection Area? N

Pit is located in a Hydrologically Sensitive Area.

Category of Pit: C

Liner not required for Category: C

Pit Location is BED AQUIFER

Pit Location Formation: OGALLALA

## HORIZONTAL HOLE 1

Sec 07 Twp 15N Rge 25W County ROGER MILLS

Spot Location of End Point: NE NE NW NW

Feet From: NORTH 1/4 Section Line: 165

Feet From: WEST 1/4 Section Line: 1240

Depth of Deviation: 9496

Radius of Turn: 573

Direction: 2

Total Length: 4450

Measured Total Depth: 14846

True Vertical Depth: 10075

End Point Location from Lease,  
Unit, or Property Line: 165

### Notes:

#### Category

#### Description

DEEP SURFACE CASING

4/5/2017 - G71 - APPROVED; NOTIFY OCC FIELD INSPECTOR IMMEDIATELY OF ANY LOSS OF CIRCULATION OR FAILURE TO CIRCULATE CEMENT TO SURFACE ON ANY CONDUCTOR OR SURFACE CASING

HYDRAULIC FRACTURING

4/5/2017 - G71 - OCC 165:10-3-10 REQUIRES: 1) THE CHEMICAL DISCLOSURE OF HYDRAULIC FRACTURING INGREDIENTS FOR ALL WELLS BE REPORTED TO FRACFOCUS USING THE FOLLOWING LINK [HTTP://FRACFOCUS.ORG/](http://fracfocus.org/) WITH NOTICE GIVEN 48 HOURS IN ADVANCE OF FRACTURING TO THE LOCAL OCC DISTRICT OFFICE; AND, 2) PRIOR TO COMMENCEMENT OF FRACTURING OPERATIONS FOR HORIZONTAL WELLS, NOTICE ALSO GIVEN FIVE BUSINESS DAYS IN ADVANCE TO OFFSET OPERATORS WITH WELLS COMPLETED IN THE SAME COMMON SOURCE OF SUPPLY WITHIN 1/2 MILE

LOCATION EXCEPTION - 661799

4/7/2017 - G60 - (I.O.) 7-15N-25W  
X135140 CLVD  
COMPL. INT. NCT 165' FNL, NCT 165' FSL, NCT 990' FWL  
KAISER-FRANCIS OIL COMPANY  
3-9-17

MEMO

4/5/2017 - G71 - PITS 1 & 2 - CLOSED SYSTEM=STEEL PITS PER OPERATOR REQUEST, PIT 2 - OBM RETURNED TO VENDOR, CUTTINGS PERMITTED PER DISTRICT

SPACING - 135140

4/7/2017 - G60 - (640) 7-15N-25W  
EXT 100037 CLVD  
EXT OTHERS

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129 24096 MALSON 2-7H